marks obtained in the written test, and there is no provision of reservations.

The 1995 amendments in the promotion policy were challenged in the Punjab and Haryana High Court by the All India Punjab & Sind Bank SCs & STs Welfare Council. The High Court, in its order dated 22.12.95 upheld the amended policy of 1995. It, however, directed the bank to provide reservations against the 48 promotions done by the bank during the year 1994, under the normal channel of promotions in the 1993 policy, where the bank had not provided any reservation. In compliance with the High Court orders, the bank provided for reservations of 10 SCs and 4 STs against the 48 General candidates promoted during the year 1994.

Target date before Committee of Secretaries on Pay Commission Report

1076. SHRIMATI JAYANTI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) whether Government have fixed any target date before the Committee of Secretaries on the finalisation of the Fifth Pay Commission Report;

(b) if so, the details thereof; and

(c) the steps taken to expedite the submission of the Report so that the Central Government gives the payment of arrears at an early date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The empowered Committee will process the recommendations of the Fifth Pay Commission by following the established procedure, including consultation with the Staff Side of the National Council of Joint Consultative Machinery. It will be Government's endeavour to implement the recommendations of the Pay Commission as soon as feasible.

Session on 'Capital Account Covertibility and India Perspective'

1077. SHRIMATI VEENA VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the deliberations of the Session on 'Capital Account Covertibility and India Perspective' organised by the PHD Chamber of Commerce and Industry in New Delhi on January 19, 1997;

(b) if so, the main observations and suggestions made therein about the economic situation in the country and the steps proposed to be taken to strengthen the economy; and

(c) what steps are being taken to strengthen the economy so as to secure full capital account covertibility of the Rupee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) The Government is aware that during the Managing Committee meeting of the PHD Chamber of Commerce and Industry held in New Delhi on 6th January, 1997, the topic of "Capital Account Covertibility and Indian Perspective" was deliberated upon by the participating members.

(b) During the deliberations on the subject, it was opined that full covertibility of Rupee be introduced in phases with proper sequencing. Before the introduction of full-covertibility, macro-economic fundamentals (*viz.* fiscal deficit, inflation level, interest rates, domestic and external debt, current account deficit, GDP growth rate, level of savings and foreign exchange flows) should conform to the global standards. Experiences of the countries which have introduced full covertibility should be taken into account. In the meantime, restrictions on Foreign Exchange Regulation Act and current account transactions should be further Exchange Regulation Act and current account transactions should be further relaxed. Menace of black money should be effectively tackled and corporate tax rates brought down. Fiscal discipline should be enforced by cutting high cost Government's borrowings, and through PSUs disinvestments. Financial sector reforms should be speeded up. Firm political will is needed to promote the country's global integration.

(c) The Indian rupee is covertible in respect of certain constituent elements of the capital account. Full covertibility of the rupee on capital account requires fulfilment of some basic pre-conditions, which will ensure containment of the risks of capital flight and